



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

June 16, 2011

CERTIFIED RETURN RECEIPT
7005 0390 0000 7507 4702

Mark Miller
11949 Hidden Canyon Lane
Sandy, Utah 84092-7190

Subject: Notice of Cancellation of Reclamation Letter of Credit Number _____, Mark
Miller, Expectation Mine, S/035/0024, Salt Lake County, Utah

Dear Mr. Miller:

Please review the enclosed notice of non-renewal notification from Far West Bank indicating letter of credit (LOC) _____ in the amount of \$3000.00 for the Expectation mine will not be renewed. According to the terms of the LOC, the bank may elect not to renew as long as a 90-day notice is given to the Division. These terms have been met; therefore, effective April 7, 2012, the LOC will be not be renewed. Paragraph 2 of the Reclamation Contract, says the operator shall provide a replacement surety within 60 days following the Division's receipt of the cancellation/termination notice.

You are hereby advised that the Division must receive a replacement form of surety on or before August 14, 2011, or the Division will be forced to do any/some of the following:

- Carry out the terms of LOC number _____
- Submit a request to the Board of Oil, Gas and Mining to withdraw the permit.
- Issue a cessation order and associated fine.

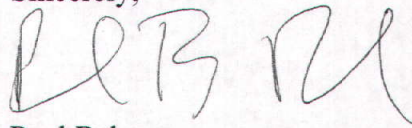
This site has been mostly reclaimed, but there is still some trash that needs to be cleaned up before the Division will consider reclamation to be completed. Please contact Leslie Heppler at 801-538-5257 for further information about the work that needs to be done.

In addition, there are still two fines that have not been paid. These fines are for cessation orders MC2006-03-04-01 and MC2006-03-13-01, and the amounts are \$1320.00 and \$1760.00, respectively, for a total of \$3080.00.

Mark Miller
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S/035/0024
June 16, 2011

If you have questions or require assistance regarding the surety, please contact Penny Berry (801) 538-5291 or email bondcoordinator@utah.gov . Other questions about this letter may be directed to me at 801-538-5261 or to Leslie Heppler at the number listed above. Thank you in advance for your prompt attention to these important permitting requirements.

Sincerely,

A handwritten signature in black ink, appearing to read 'P. Baker'.

Paul Baker
Minerals Program Manager

PBB:pb
Enclosure: Notice of Non-Renewal
Cc: Leslie Heppler
P:\GROUPS\MINERALS\WP\M035-SaltLake\S0350024-Expectation\final\cancel-operator-06162011.doc

FAR WEST BANK

A Division of AmericanWest Bank, Spokane, WA

June 13, 2011

Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Attn: Paul Baker

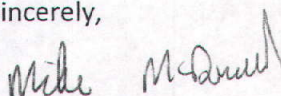
Dear Paul,

This letter is to provide notice that Far West Bank has elected not to renew or extend Irrevocable Letter of Credit No. _____ issued April 7, 2005 on behalf of Mark and Danna Miller DBA Expectations beyond its current expiration date of 4/7/2012.

We request that you return to us for cancellation the Original Letter of Credit, addressed to 201 E Center Street, Provo, Utah 84606, Attn: Mike McDonald on or before the expiration date set forth above.

If you have any questions, please contact me at 801-342-6044.

Sincerely,



Mike McDonald
Vice President
Far West Bank

RECEIVED

JUN 15 2011

DIV. OF OIL, GAS & MINING